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[www.scdhhs.gov](http://www.scdhhs.gov)

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# PUBLIC NOTICE

## **Public Notice of Final Action for Covered Outpatient Drug Reimbursement Methodology Update**

The South Carolina Department of Health and Human Services (SCDHHS) gives notice of the following actions regarding reimbursement methodology for covered outpatient drugs (COD) purchased through the pharmacy program under the State Plan under Title XIX of the Social Security Act Medical Assistance Program (Medicaid).

Effective on or after June 1, 2020, SCDHHS will amend the South Carolina Medicaid State Plan to adopt the following policy changes for CODs purchased through the pharmacy program, as described in attachment 4.19-B of the State Plan.

Standard basis for payment, reimbursement for drugs shall be limited to the lowest of:

- (1) the actual acquisition cost (AAC) plus a professional dispensing fee (PDF) of \$10.50
- (2) the state's maximum allowable cost (MAC) plus a PDF of \$10.50
- (3) the usual and customary (U&C) charges to the general public

The AAC is defined as the National Average Drug Acquisition Cost (NADAC). In those instances where the NADAC does not exist, the AAC is defined as wholesale acquisition cost (WAC).

Standard basis for payment likewise applies to CODs in the outpatient community pharmacy setting and applies to specialty drugs and drugs dispensed by a retail community pharmacy or institutional or long-term care facility when not included as part of an inpatient stay.

The AAC plus a PDF of \$10.50 shall be applied to the drugs acquired or dispensed via the Federal Supply Schedule (FSS), at nominal price (outside of 340B or FSS) or by Indian Health Services.

Investigational drugs are not covered.

Clotting factor reimbursement remains to be determined by contractual provisions established by the South Carolina Department of Health and Environmental Control (SCDHEC) Hemophilia Program. Rates are set by a state procurement bid process between SCDHEC and clotting factor manufacturers.

Physician-administered drugs are reviewed on a quarterly basis with rates updated and posted to the SCDHHS website at [www.scdhhs.gov/resource/fee-schedules](http://www.scdhhs.gov/resource/fee-schedules). Rates in classes where there are no therapeutic alternatives are set at an average sales price (ASP) plus 6%, with less expensive medications priced at ASP+10%. Generic agents and drugs in classes with therapeutic alternatives are set by applying the anticipated margin of the most expensive medication, based on the ASP plus 6% methodology, to the acquisition cost of the other medications in the class.

Based on the proposed actions above, SCDHHS anticipates a budget impact of approximately \$4.6 million (total dollars).

Copies of this notice are available at each South Carolina Healthy Connections Medicaid county office and at [www.scdhhs.gov](http://www.scdhhs.gov) for public review. Additional information regarding these actions is available upon request at the address cited below.

Any written comments submitted may be reviewed by the public at the SCDHHS, Division of Health Programs, Jefferson Square Building, 1801 Main Street, Columbia, South Carolina, Monday through Friday between 9 a.m.-5 p.m.

Joshua D. Baker

## Notice of Non-Discrimination

The South Carolina Department of Health and Human Services (SCDHHS) complies with applicable Federal civil rights laws and does not discriminate on the basis of race, color, national origin, age, disability, or sex. SCDHHS does not exclude people or treat them differently because of race, color, national origin, age, disability, or sex.

SCDHHS provides free aids and services to people with disabilities, such as qualified sign language interpreters and written information in other formats (large print, braille, audio, accessible electronic formats, other formats). We provide free language services to people whose primary language is not English, such as qualified interpreters and information written in other languages. If you need these services, contact Janet Bell, ADA and Civil Rights Official, by mail at: PO Box 8206, Columbia, SC 29202-8206; by phone at: 1-888-808-4238 (TTY: 1-888-842-3620); or by email at: [civilrights@scdhhs.gov](mailto:civilrights@scdhhs.gov).

If you believe that SCDHHS has failed to provide these services or discriminated in another way on the basis of race, color, national origin, age, disability, or sex, you can file a grievance with the Civil Rights Official using the contact information provided above. You can file a grievance in person or by mail or email. If you need help filing a grievance, we are available to help you.

You can also file a civil rights complaint with the U.S. Department of Health and Human Services, Office for Civil Rights, electronically through the Office for Civil Rights Complaint Portal, available at <https://ocrportal.hhs.gov/ocr/portal/lobby.jsf> or by mail or phone at: U.S. Department of Health and Human Services, 200 Independence Avenue, SW, Room 509F, HHH Building, Washington, D.C. 20201 or by phone at: 800-368-1019, 800-537-7697 (TDD). Complaint forms are available at <http://www.hhs.gov/ocr/office/file/index.html>

## Language Services

If your primary language is not English, language assistance services are available to you, free of charge. Call: 1-888-549-0820 (TTY: 1-888-842-3620).

si habla español, tiene a su disposición servicios gratuitos de asistencia lingüística. Llame al 1-888-549-0820 (TTY: 1-888-842-3620).

خدمات المساعدة اللغوية تتوافر لك بالمجان. اتصل برقم 888-549-0820 (رقم هاتف الصم والبكم: 888-842-3620). إذا كنت تتحدث اذك اللغة، فإن

Se fala português, encontram-se disponíveis serviços linguísticos, grátis. Ligue para 1-888-549-0820 (TTY: 1-888-842-3620).

Если вы говорите на русском языке, то вам доступны бесплатные услуги перевода. Звоните 1-888-549-0820 (телетайп: 1-888-842-3620).

Nếu bạn nói Tiếng Việt, có các dịch vụ hỗ trợ ngôn ngữ miễn phí dành cho bạn. Gọi số 1-888-549-0820 (TTY: 1-888-842-3620).

Se você fala português do Brasil, os serviços de assistência em sua língua estão disponíveis para você de forma gratuita. Chame 1-888-549-0820 (TTY : 1-888-842-3620)

如果您使用繁體中文，您可以免費獲得語言援助服務。請致電1-888-549-0820 (TTY: 1-888-842-3620)

Falam tawng thiam tu na si le tawng let nak asi mi 1-888-549-0820 (TTY: 1-888-842-3620) ah tang ka pek tul lo in na ko thei.

थयद आप हदी बोलते ह तो आपके लिए मुफ्त म भाषा सहायता सेवाएं उपलब्ध ह। 1-888-549-0820 (TTY: 1-888-842-3620) पर कॉल कर।

한국어를 사용하시는 경우, 언어 지원 서비스를 무료로 이용하실 수 있습니다. 1-888-549-0820 (TTY: 1-888-842-3620)번으로 전화해 주십시오.

Haka tawng thiam tu na si le tawng let asi mi 1-888-549-0820 (TTY: 1-888-842-3620) ah tang ka pek tul lo in na ko thei.

Si vous parlez français, des services d'aide linguistique vous sont proposés gratuitement. Appelez le 888-549-0820 (ATS : 888-842-3620).

နမ့်ကတိ ကညီ ကျိအလိ, နမ့်နီ ကျိအတိမတိလါ တလင်ဘူလင်စု နီတမံဘင်သုန့်လိ. ကိ: 888-549-0820 (TTY: 888-842-3620)

ማስታወሻ: የሚናገሩት ቋንቋ አማርኛ ከሆነ የትርጉም አርዳታ ድርጅቶች በነጻ ሊያገዝዙት ተዘጋጅተዋል፡ ወደ ሚኒተለው ቁጥር ይደውሉ 1-888-549-0820 (መስማት ለተሳናቸው: 1-888-842-3620)፡

အကယ်၍ သင်သည် မြန်မာစကားကို ပြောပါက၊ ဘာသာစကား အကူအညီ၊ အခမဲ့၊ သင့် ငဲ့အတွက်

စီစဉ်ဆောင်ရွက်ပေးပါမည်။ ဖုန်းနံပါတ် 888-549-0820 (TTY: 888-842-3620) သို့ ခေါ်ဆိုပါ။